

Message Text

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FM SECSTATE WASHDC

TO ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS

AMEMBASSY MOSCOW

AMCONSUL NAHA

INFO CINCPAC

COGARD

GOVGUAM

TRSY

XMT AMEMBASSY RANGOON

UNCLAS STATE 053277

E.O. 11652: N/A

TAGS: PFOR, XC, US

SUBJECT: MARCH 4 EA PRESS SUMMARY

1. KOREA

UPI SEOUL (JOC) SAYS ROKG MAPPING 8-YR OFFSHORE OIL DEVELOPMENT PLAN, WHILE CONTINUING DRILL ON LAND ALONG SE COAST. PLANS SPEND 1.1 BILLION DOLS PROSPECTING NEAR CHINJU, HAENAM. UNCONFIRMED PRESS REPORTS EARLIER SAID OIL FOUND NEAR YONGIL. PLANS JOINT EXPLORATION WITH JAPAN OF PROMISING AREA E CHINA SEA, BLOCK 7. CONTINGENT JAPAN RATIFICATION BILATERAL SHELF TREATY, WHICH LDP "DOVES" RELUCTANT RATIFY, LEST UPSET PEKING. ROK OFFERED NEGOTIATE ISSUE WITH PRC, BUT NO RESPONSE YET. AMB NISHIYAMA RECENTLY TOLD FM PARK TON-JIN GOJ WOULD UNCLASSIFIED

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MAKE "BEST EFFORT" RATIFY THIS SESSION DIET, DUE END MAY 24, WHICH SK OFFICIALS BELIEVE MAY SHOW JAPAN GOT PRC TACIT GO AHEAD.

2. INDOCHINA

JAPANESE DEP FONMIN SAYS DISCUSSED ECON REHABILITATION OF VN DURING RECENT HANOI VISIT. ADDS TEAM OIL EXPERTS WILL TRAVEL VN, LOOK INTO EXPLORATION OFF SVN, BUT NO DATE FIXED. STATES GOJ WILL EXTEND ANOTHER ECON AID

GRANT TO NVN IN 1976 FY, BUT FIGURE NOT SET YET (REUTER TOKYO).

3. INDOCHINA REFUGEES

USG ANNOUNCES 109,000 DOL PROGRAM TO HELP REFUGEES CONTINUE COLLEGE EDUCATIONS HERE (AP, WP).

4. THAILAND

JAPANESE TANKER FIRED UPON MONDAY BY UNIDENTIFIED VESSEL ABOUT 60 MI NE TRAD PROV, BUT CONTINUED ON COURSE (AP, LAT 3/3).

TWO YOUNG GUNMEN SET OFF BLAST WEDNESDAY THAT KILLED 3 IN WHAT MIGHT HAVE BEEN ATTEMPT SETTLE SCORES BETWEEN RIVAL SCHOOLS. SOME STUDENTS LINK VIOLENCE TO PRE-ELECTION TENSION BETWEEN RIGHTISTS, LEFTISTS (WP). NYT CARRIES AP PHOTO SHOWING YOUTHS CLEARING DEBRIS AFTER BLAST.

ANDELMAN (NYT) AT BANGKOK NOTES ASSASSINATIONS, EXTREME POLITICAL RHETORIC FROM LEFT, RIGHT AS ELECTION APPROACHES. QUOTES STUDENT SOURCES AT DAMAGED SCHOOL THAT STUDENT BODY SYMPATHETIC TO LEFTIST-ORIENTED NATL STUDENT CENTR. SAYS WARNINGS OF MIL COUPS, URBAN GUERRILLA TERRORISM, STUDENT UPRISINGS HEARD IN STATEMENTS MAJOR PARTY LEADERS. REVIEWS BACKGROUND ELECTIONS SCHEDULED APR 4. REPORTS FAR-RIGHTIST NATLIST MOVEMENT "NAVAPOL" WITH ALLIED GUERRILLA GROUP BELIEVED RESPONSIBLE SOME VIOLENCE. UNCLASSIFIED

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REPEATS DETAILS ASSASSINATIONS, MOB ACTION; STATES DISORDER BRINGS WARNINGS FROM MIL.

5. LOS - FISHERIES

WH DEPY SPOKESMAN CARLSON SAID TUESDAY NIGHT PRES FORD AGREED SIGN HR 200, WITH JANUARY EFFECTIVE DATE. HILL AIDES INTERPRET AS CLEARING WAY ENACTING COMPROMISE BILL, NOW IN CONFERENCE CMTE, IN NEXT COUPLE WEEKS (SUN, WASHINGTON 3/3).

6. PHILIPPINES

GOP IMPOSES BAN ON TRAVEL BY FOREIGNERS TO 16 MINDANAO
PROVS IN WAKE INTENSIFIED AMBUSHES, KIDNAPPINGS BY
MOSLEM REBELS (AFP, WP).

7. MALAYSIA

IN 2ND OF 3 ARTICLES ON COMMUNIST INSURGENCY, CSM'S
SOUTHERLAND IN PERAK STATE NOTES SOME INSURGENTS DRIVEN
INTO THAILAND BY BRITISH DURING "EMERGENCY" NOW
REAPPEARING. REPORTS GOM RECENTLY DECLARED TROOPS
SMASHED NETWORK, DROVE INSURGENTS DEEPER INTO JUNGLE.
THINKS GOVT UNHAPPY, SINCE RECENTLY ANNOUNCED RESTRICTIONS
NIGHTTIME USE CERTAIN PERAK ROADS BY VEHICLES. SAYS
GOM CONSIDERING SETTING UP MIL ADMIN FOR PART PERAK
DUE CONCERN GUERRILLAS RE-ESTABLISHING OLD TIES WITH
CHINESE IN "NEW VILLAGES" SET UP BY BRITISH TO DENY
COMMUNISTS SUPPORT. OPINES LACK LAND FEEDS DISCONTENT
AMONG CHINESE VILLAGERS; ATTRIBUTES TO GOM DISCRIMINATION
IN ECON MATTERS IN FAVOR MALAYS. QUOTES SEN THAT, IN
MOST CASES, CHINESE WOULD RUN FIRST IF COMMUNISTS TOOK
OVER, AND CONCERNED THAT COMMUNISTS GIVE IMPRESSION
MALAYSIA ON BRINK COLLAPSE.

8. AUSTRALIA/INDONESIA/TIMOR

CONF GOA REPORT SAYS 2 OF 5 AUSSIE TV NEWSMEN KILLED
IN E TIMOR MAY HAVE BEEN EXECUTED BY INDONESIAN TROOPS.
GOI DISCLAIMS RESPONSIBILITY (REUTER CANBERRA).
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9. AUSTRALIA/NEW ZEALAND

VP ROCKERFELLER WILL ARRIVE WELLINGTON FOR 3-DAY VISIT
APR 1 (REUTER WELLINGTON).

CSM'S VICKERS AT SYDNEY SUMMARIZES REVERSALS IN FORMER
LABOUR GOVT'S POLICIES MADE BY NEW PM FRASER: GOA INFORMED
USSR THAT NO LONGER RECOGNIZES MOSCOW CLAIM TO LATVIA,
LITHUANIA, ESTONIA; EVENHANDED ME POLICY DROPPED IN
FAVOR PRO-ISRAELI STANCE; GOVT MOVING STRENGTHEN TIES
WITH TRADITIONAL FRIENDS, ESPECIALLY US, FORGE LINKS WITH
NEIGHBORS SUCH AS JAPAN; NATL DEFENSE BEING GIVEN
INCREASED PRIORITY; GOVT ADVERTISING BEING REDUCED,
NONESSENTIAL PUBLIC SERVANT TRAVEL BANNED, SOCIALIZED
MEDICINE PATIENTS WILL PAY MORE, UNEMPLOYMENT COMPENSATION
LOOPHOLES CLOSED.

HOFFMAN (CSM) AT BALLARAT CALLS AUSSIE MINING VILLAGE
REBUILT IN ORIGINAL FORM BY LOCAL RESIDENTS GREAT
SUCCESS, SAYS AUSTRALIA DISCOVERING ITS PAST.

10. MILITARY AID BILL

HOUSE PASSES 4.8 BILLION DOL MIL AID BILL, THAT WOULD PERMIT NON-STRATEGIC TRADE WITH NVN AS FIRST STEP TOWARD NORMALIZATION RELS, ENCOURAGE ACCOUNTING FOR MIAS (LYONS, WP); REQUIRES FURNISHING IDENTITY SALES AGENTS RECEIVING FEES, COMMISSIONS CONNECTED WITH MUNITIONS SALES. AMENDMENT TO CUT OFF OR RESTRICT AID TO INDONESIA, PHILS, JORDAN DEFEATED (NYT SPECIAL).

11. CHINA

DOS' FUNSETH CONFIRMS HAK TALKED WITH NIXON BY PHONE MONDAY (AP, PHINQ), JUST DAY AFTER NESSEN HAD SAID ONLY ADMIN CONTACT WITH NIXON HAD BEEN THROUGH MINOR WH "FUNCTIONARY" (CARTER, NYDN).

SUN'S DOBBIN OBSERVES CREDIBILITY GAP YAWNED WEDNESDAY BETWEEN WH, DOS; NESSEN, FUNSETH APPARENTLY UNABLE UNCLASSIFIED

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FIND EACH IN MISINFO MISTS, AND TWO WH BRIEFINGS -- ONE SPECIALLY CALLED -- ONE DOS BRIEFING, SEVERAL ,REPORTEDLY IRASCIBLE INTERDEPARTMENTAL" PHONE CALLS REQUIRED TO PLUCK FROM BUREAUCRATIC THICKET FACT HAK CONTACTED NIXON MONDAY, TALKED WITH HIM ABOUT 15 MINUTES ABOUT PRC VISIT, AND IN COURSE CONVERSATION NIXON AGREED SEND DOS WRITTEN ASSESSMENT. CITES NESSEN EXPLANATION HAK CALLED NIXON MONDAY, NIXON CAMP PHONED WH TUESDAY TO SAY WRITTEN REPORT BEING SENT DOS; HAK HAD TOLD SCOWCROFT AND PRES OF NIXON CONTACT, BUT FORD "DIDN'T GIVE MUCH THOUGHT" TO NEWS NIXON REPORT FORTHCOMING, AND NESSEN HADN'T TALKED WITH SCOWCROFT. DOBBIN SAYS WEDNESDAY BUREAUCRATIC CHAOS PERHAPS AROSE FROM ADMIN'S NERVOUS APPROACH TO NIXON TRIP SINCE ITS ANNOUNCEMENT. CARTER SEES SMALL FLAP ADDING TO IMPRESSION OF DIFFERENCES BETWEEN FORD WH POL ADVISERS, DOS DIPLOMATS, OVER HOW HANDLE NIXON TRIP.

NYT'S SHABECOFF STRESSES HAK SPOKE WITH NIXON MONDAY, WITHOUT FORD'S KNOWLEDGE, PRIOR APPROVAL, DID NOT TELL PRES UNTIL WEDNESDAY AT MEETING FROM WHICH NESSEN ABSENT. SEES LATEST PATTERN INFO/MISINFO ADDING TO CONTROVERSY THAT HAS FORMED AROUND NIXON PRC VISIT. WP'S WALSH OBSERVES NIXON, EVEN SAFELY BACK FROM PRC, CONTINUES SOURCE OF WH EMBARRASSMENT. MORE THAN ANYTHING, FLAP OVER HAK/NIXON TALK ILLUSTRATES WH AIDES' DETERMINATION SHIELD PRES FROM ANY ASSOCIATION NIXON, WHOSE NEWS EMERGENCE THEY CONSIDER FORD POL LIABILITY -- AND NESSEN KEPT UP THAT LINE WEDNESDAY.

ON ABC PROGRAM WEDNESDAY MORNING, JACK ANDERSON REVEALED HAK PHONED NIXON MONDAY TO ARRANGE REPORT ON PRC TRIP.

ADDED THAT HAK HAD MET PRIVATELY WITH NIXON IN SAN CLEMENTE, DISCUSSED WORLD AFFAIRS, TWO DAYS BEFORE ANNOUNCEMENT PRC VISIT -- BUT NIXON FAILED MENTION TRIP. SAID SOURCES CLOSE TO HAK REPORTED SECSTATE FURIOUS AT NIXON'S HOLDING OUT ON HIM; APPARENTLY, NIXON FEARED HAK MIGHT TRY TALK HIM OUT OF JOURNEY. ANDERSON CONTENDED NIXON WOULD LIKE DIPLOMATIC APPOINTMENT, WISHES BECOME FOREIGN AFFAIRS ELDER STATESMAN (AP, PHINQ; SHABECOFF; WALSH).
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PRC FOREIGN OFFICE SPOKESMAN WEDNESDAY REFUSED COMMENT ON PEKING RUMORS TENG HSIAO-PING HAS RESIGNED (REUTER, SUN; CSM). OFFICIAL CHINESE PRESS CALLED FOR MOBILIZATION OF MASSES IN NATIONWIDE CRITICISM CAMPAIGN DIRECTED AT TENG, AS NEW STAGE APPEARS REACHED IN POLITICAL CRISIS (AFP, PHINQ, NYT).

NCNA SAYS TIENTSIN PRIMARY, MIDDLE SCHOOLS DEVELOPING "EDUCATIONAL REVOLUTION" TO MAKE SCHOOLS "INSTRUMENT FOR PROLETARIAN DICTATORSHIP AND IN TRAINING PROLETARIAN REVOLUTIONARY SUCCESSORS (AP, WP).

CNA REPORTS REAR ADM COLLINS OF US 7TH FLEET HAS ARRIVED KEELUNG PORT FOR FIVE-DAY GOODWILL VISIT (REUTER, WP).

12. JAPAN

SEN BANKING CMTE MET WEDNESDAY, TO PROBE ALLEGATIONS LOCKHEED (JOC; WSJ; NYT; WP; CHITRIB; SUN; PHINQ). INTENSE INTEREST JAPAN SHOWN BY PRESENCE NEARLY 50 JAPANESE NEWSMEN.

CMTE AGREED CALL SECSTATE AS WITNESS, AFTER PROXMIRE CHARGED "PENTAGON IS DIRECTING AND GIVING INSTRUCTIONS" FOR BRIBERY, SEN HELMS ALLEGED DOS, DOD "CONDONE BRIBES" (NYT; CHITRIB).

PROXMIRE, TOWER ARGUED RELEVANCE DISCLOSING NAMES ALLEGED BRIBE-TAKERS. TOWER SAID SERVES NO PURPOSE BUT MAKE "HEADLINES," PROXMIRE SAID EXPOSURE BEST WAY END BRIBERY, COULD NOT UNDERSTAND HOW DISCLOSURE THREATENS NATION (SMITH, NYT).

SEC CHAIRMAN HILLS TESTIFIED 74 FIRMS LINKED ILLEGAL PAYMENTS, MORE MAY BE EXPOSED (JOC, CHITRIB). RESISTED CMTE EFFORTS FORCE HIM TAKE POSITION ON DISCLOSURE NAMES OFFICIALS ALLEGEDLY BRIBED BY LOCKHEED. SAID WOULD BE "IMPROPER" COMMENT, IN VIEW NEGOTIATIONS WITH LOCKHEED TO SETTLE SEC INVESTIGATION. REFUSED
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REPEATEDLY ASSURE PROXMIRE FAVORS FULL DISCLOSURE NAMES. IN SETTLEMENT WITH SEC, SAID LOCKHEED MUST APPOINT LAWYER OF "UNQUESTIONED REPUTATION" CONDUCT INDEPENDENT INVESTIGATION BRIBE ALLEGATIONS (SMITH).

IN SAME SESSION, LOCKHEED'S HAACK SAID CONSENT AGREEMENT WITH SEC "PRACTICALLY SIGNED." SUGGESTED NEW ANTI-KICKBACK, ANTI-BRIBE POLICY HURTS FIRM; WAS INFORMED BY FOREIGN CONSULTANTS THAT COMPETITORS "MADE ACCOMMODATIONS" LOCKHEED NO LONGER WILLING MAKE (WSJ; CHITRIB). COULD NOT TELL SEN STEVENSON AMOUNT BUSINESS THUS LOST (NYT).

HAACK ALSO TESTIFIED FIRM HAS "LITTLE CONCLUSIVE INFORMATION" IDENTIFY JAPANESE OFFICIALS, EXCEPT "FRAGMENTARY...RUMOR...HEARSAY...GOSSIP." SAID WILLING PROVIDE JAPANESE RELEVANT DATA, IF SUBJECT PROPER REVIEW, ALL INCONCLUSIVE DATA DELETED, AND ON GOVT-TO-GOVT BASIS (PHINQ). REFUSED SAY WHETHER LOCKHEED WOULD DISMISS FOREIGN CONSULTANTS WHO BROKERED BRIBES (NYT). SAID SOME HELD OUT ALLEGED PAYOFFS (PHINQ).

TAKING RESPONSIBILITY FOR SCANDAL, MARUBENI EXEC HIYAMA RESIGNED WEDNESDAY; WILL REMAIN WITH FIRM AS CONSULTANT (CSM; SEIDEN, SUN). SPOKESMAN SAID SHUFFLE OF EXECs DOES NOT MEAN MARUBENI INVOLVED MAKING ILLEGAL PAYOFFS BEHALF LOCKHEED (PHINQ). WOULD SIGN NO NEW CONTRACTS WITH LOCKHEED. MAYOR SAPPORO SAID CITY WILL REFUSE LET MARUBENI CONTRACT ANY MORE PUBLIC WORKS (AP, NYT).

LAT'S JAMESON (IN WP) SAYS DECISION SIGN NO NEW CONTRACT LEAVES LOCKHEED WITHOUT SALES AGENT TO HANDLE BILLION-DOL P-3C TRANSACTION. NOTES SUPPLEMENTARY CONTRACT, SIGNED NOV 10, EXCLUDES POLITICAL PAYMENTS; DISCLOSED WHEN MARUBENI SUBMITTED ALL CONTRACTS DIET RESPONSE CMTE SUBPOENA. ADDS HOME MIN HAJIME FUKUDA TOLD DIET POLICE ALREADY INVESTIGATING "POLITICAL PAYMENTS" CLAUSE.

BRENDAN JONES (NYT) RECOUNTS MARUBENI GROWTH FROM SMALL TEXTILE TRADER 1858 INTO MODERN, MULTI-NATL UNCLASSIFIED

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TRADING CONGLOMERATE.

TAX OFFICE INVESTIGATION SHOWS KODAMA FAILED PAY TAXES ON MILLIONS DOLS CONCEALED INCOME FROM LOCKHEED. PLAN PROSECUTE BY MID-MONTH (SEIDEN).

LOCKHEED SHAKES UP INTL OPERATIONS. JOHN CLUTTER, WHO RAN TOKYO OFFICE, SENIOR VP'S FOLDEN, OSBORN RETIRE. RE-ESTABLISHES POST VP-INTL MARKETING, ELIMINATES LOCKHEED INTL (AP, SUN; WSJ, BURBANK).

BRITISH SHIPBUILDERS ASSN PRES BELCH TOLD SHIPBUILDERS COUNCIL OF AMERICA WEDNESDAY EEC MEMBERS SHOULD TAKE "WHATEVER STEPS NECESSARY" PREVENT JAPAN FURTHER UNDERCUTTING SHIPBUILDING MARKET (SUN, WASHINGTON).

MAF ABE TOLD DIET WEDNESDAY GOJ HAS NO PLANS EASE IMPORT CONTROLS ON 22 FARM, MARINE PRODUCTS, DESPITE LDC PLEAS DO SO (UPI, JOC).

ITC RULED SS FLATWARE IMPORTS DAMAGE US INDUSTRY, BUT DIVIDED ON REMEDY. THREE COMMISSIONERS RECOMMEND PRES IMPOSE QUOTAS, RAISE DUTIES ON FLATWARE OVER SPECIFIC AMOUNT. TWO URGE ADJUSTMENT ASSISTANCE FOR US INDUSTRY. SIXTH RECOMMENDS CONTINUATION EXISTING QUOTA, BUT WITHOUT NATIONAL ALLOCATIONS. VALUE 1974 IMPORTS TOTALED 53 MILLION DOLS, ABOUT TWO-THIRDS US MARKET (JOC, WASHINGTON).

JOC'S LAWRENCE CITES PREDICTIONS BY ALLEGHENY-LUDLUM'S SIMMONS THAT CONGRESS WILL LEGISLATE SPECIALTY STEEL IMPORT QUOTAS THIS YEAR IF PRES REFUSES DO SO. SAID HAS ASSURANCES "COMPLETE SUPPORT" FROM REP GREEN, CHAIRMAN WAYS MEANS TRADE SUB-CMTE.

ROWE (WP) SAYS ADMIN TASK FORCE TOLD PRES SPECIALTY STEEL QUOTAS RECOMMENDED BY ITC "GO TOO FAR" TRYING PROTECT US INDUSTRY. BUT IF FORD OPTS FOR LESS STRINGENT IMPORT RESTRICTIONS, NOTES COULD SPARK ELECTION-YEAR FIGHT BETWEEN ADMIN, CONGRESS, ON HOW DEAL WITH IMPORTS THAT ERODE US JOBS. PRES MUST UNCLASSIFIED

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DECIDE BY MARCH 16.

MARITIME COOKS AND STEWARDS UNION URGES FMC NOT AUTOMATICALLY EXTEND FREIGHT POOL ARRANGEMENTS OF SIX MAJOR JAPANESE SHIPPING LINES SERVING US PACIFIC COAST. RECENT TOKYO SHIPPING AND TRADE NEWS REPORT SAYS LINES NOT SURE WHY. LINES APPLIED FOR EXTENSION UNTIL DEC 31, 1978 (JOC, TOKYO).

FIALKA (WSTAR 3/3) NOTES EPA'S DYER STUDY EFFECT DISPOSAL NUCLEAR WASTES DUMPED IN OCEAN. DYER SAID JAPAN, FRG

INTERESTED DUMPING LOW-LEVEL WASTES IN OCEAN, THAT OTHERWISE MUST BURY ON LAND.

COMMENT AND ANALYSIS

13. CHINA

CITING UNNAMED NIXON AIDE'S ASSURANCE THERE WILL BE NO PUBLIC STATEMENTS, APPEARANCES, TO CELEBRATE NIXON RETURN FROM PRC, NYPOST (3/1) TRUSTS SILENCE VOW WAS DULY AUTHORIZED, WILL BE FAITHFULLY OBEYED. IF NIXON BELIEVES HE HAS ANY EXTRAORDINARY INFO FOR USG, THERE ARE MANY PRIVATE CHANNELS FOR TRANSMITTING THEM. IN SEEKING RECAPTURE FADED GLORY, FORMER PRES HAS ALREADY TRESPASSED TOO FAR. MAY DERIVE SOLACE FROM THOUGHT HE RETAINS SOLID "RED CHINA" CONSTITUENCY, BUT HAS ALSO AGAIN EXHIBITED INSENSITIVITY TO CIRCUMSTANCES UNDER WHICH OBLIGED FLEE WASHINGTON.

CARTOONISTS: STEEG (SUN) DRAWS TWO CONVERSING CHINESE, ONE SAYING -- "HE KEPT SAYING HE WANTED TO MAKE IT 'PERFECTLY CLEAR.' DID HE EVER?" IN AUDIENCE WITH MAO, TRUDEAU'S "AMB DUKE CONTINUES HAVE DIFFICULTIES WITH TRANSLATOR -- WHO INSISTS CHAIRMAN STRUCK BY DUKE" RESEMBLANCE DAVID EISENHOWER, AND WANTS KNOW WHY JULIE NOT BROUGHT ALONG (SUN).

REUTER'S ROGERS, IN PEKING, SAYS CHIANG CHING CLEARLY EMERGED THURSDAY AS FORCE IN MOUNTING PRESS ATTACK AGAINST UNCLASSIFIED

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TENG HSIAO-PING. REPORTS SINOLOGISTS' BELIEF THURSDAY OFFICIAL PRESS ARTICLES ASSAILING TENG FOR OPPOSING REVOLUTIONARY ART/LITERATURE MUST HAVE HAD HER BACKING, AND AMOUNTED TO VIGOROUS DEFENSE OF NEW "REVOLUTIONARY ART FORMS." SAYS PEOPLE'S DAILY FRONT-PAGE FEATURE, CHARGING TENG HAD ATTACKED IN "VERY THREATENING MANNER" PEKING OPERAS WITH WHICH CHIANG CHING ASSOCIATED, PROVIDED GLIMPSE OF BEHIND-SCENES SQUABBLES OVER THE ARTS.

CDN'S SIGNER (3/1) SAYS THIS CONCLUSION REACHED FROM INTERVIEWS WITH VARIETY OF PEOPLE WHO KNOW NIXON WELL, AND FROM ACADEMIC SPECIALISTS: NO EVIDENCE NIXON INTENDED PRC TRIP OR TIMING TO HURT FORD, OR AS WEAPON IN ANY NARROW POLITICAL SENSE. BUT POLITICAL CONSIDERATIONS IN BROADER CONTEXT CERTAINLY PART NIXON AND PRC MOTIVATIONS -- MEETING OF MINDS POLITICALLY BETWEEN NIXON/CHINESE, EACH USING OTHER AND EACH KNEW IT. SEEMS NO SUPPORT FOR CONTENTION NIXON PLANNING POLITICAL COMEBACK, AT LEAST NOT BEFORE AFTER NOV ELECTION -- BUT

PERHAPS "PUBLIC" COMEBACK, STEP-BY-STEP.

14. JAPAN

KILPATRICK (SUN) STATES US SPECIALTY STEEL INDUSTRY IN TROUBLE THESE DAYS, BUT NOT OF OWN MAKING. COMPETITORS -- JAPAN, UK, FRANCE, SWEDEN -- OPERATE OUTSIDE PROFIT SYSTEM, BUT US MAKERS NOT SWATHED IN COTTON WOOL SUBSIDIES, AND MUST GO BY ANOTHER SET OF RULES. BLAMES EROSION DOMESTIC MARKET ON CUT-PRICE IMPORTS. URGES PRES ACT BY DEADLINE MARCH 16, PUT INTO EFFECT QUOTAS RECOMMENDED BY ITC. STATES INDUSTRY POSITION RIGHT ON MERITS, PRINCIPLE, AND DAMAGE QUOTAS COULD DO FOREIGN RELATIONS SLIGHT.

15. WSTAR'S BRADSHER (3/3) SAYS DOMINO THEORY REVIVED, BUT BY COMMUNISTS. QUOTES HANOI THAT INDOCHINA VICTORIES OPEN WAY FOR COMMUNISM SPREAD SEA, AND NVN WILL SUPPORT. NOTES USSR ENDORSES IDEA. QUOTES PHILS' MARCOS THAT NATIONS IN AREA WARNED OF DANGER VIET INVOLVEMENT IN UNCLASSIFIED

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LOCAL INSURRECTION; SINGAPORE FONMIN TOLD INDOCHINA NATIONS NOT INTERFERE IN OTHER COUNTRIES; THAILAND, MALAYSIA BLAME VN EXPORT CAPTURED US WEAPONS FOR CONTRIBUTING TO INCREASED GUERRILLA ACTIVITY; INDONESIA ESPECIALLY CONCERNED ABOUT VIET ENCOURAGEMENT REVIVED GUERRILLA THREAT. BRADSHER OPINES SINGAPORE, PHILS DO NOT HAVE IMMEDIATE PROBLEM WITH OUTSIDE COMMUNIST ASSISTANCE TO GUERRILLAS, BUT BOTH APPREHENSIVE. REPORTS NVN STATEMENT THAT ASEAN "COLLUDING" TO SUPPRESS REVOLUTIONARY MOVEMENTS.

15. THAILAND

LAT'S MCARTHUR (3/3) POINTS OUT LEFTIST POLITICANS HAD BEEN PREDICTING ASSASSINATIONS DURING CAMPAIGN. OBSERVES DIE-HARD FAR-RIGHT SHOWS LITTLE POL TOLERANCE FOR RECENTLY-EMERGED RADICAL LEFT. NOTES ONCE-POWERFUL STUDENT MOVEMENT TORN BETWEEN GOING UNDERGROUND, RISKING VIOLENCE BY OPEN CAMPAIGNING FOR LEFTIST GOALS. SEES INCIDENTS, SHOOTING AFFRAYS IN COUNTRYSIDE AS MANIFESTATION DEEP APPREHENSIONS WITHIN THAI POLITICS, THAT STEM IN LARGE PART FROM COLLAPSE SVN. CONCLUDES MIL, ENTRENCHED ELITE NEVER FULLY ACCEPTED ATTEMPT AT DEMOCRACY THAT EMERGED SINCE 1973.

10. PACIFIC ISLANDS

SF CHRON (2/26) WELCOMES SENATE APPROVAL OF CONVENANT TO EXTEND COMMONWEALTH STATUS TO MARIANAS, BECAUSE ASSURES CONTINUANCE US TRUSTEESHIP EXERCISED OVER 21 ISLANDS SINCE 1948.

11. GENERAL

LAT (3/3) EXAMINES RECENT DEVELOPMENTS CONFIRMING
EXPLOSION OF OIL PRICES TWO YEARS AGO MIGHT TRIGGER
PROTECTIONISM, SUCH AS RECENT ITC RECOMMENDATION
SPECIALTY STEEL QUOTAS, FINDING DOMESTIC SHOE MAKERS
DESERVE PROTECTION. EXPLAINS PROTECTIONIST PRESSURE
RISING, EVEN THOUGH US RACKED UP 11 BILLION DOL TRADE
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SURPLUS LAST YEAR, BECAUSE SOME INDUSTRIES, IN FACT,
HURT BY COMPETITION, WHILE OTHERS PROSPER IN INCREASINGLY
INTERDEPENDENT TRADE WORLD. CAUTIONS ERECTION
PROTECTIONIST WALL FOR EVERY INDUSTRY THAT SHOWS INJURY
"SELF-DEFEATING," WOULD PUSH PRICES HIGHER, THUS
HURT CONSUMER AND MIGHT TRIGGER RETALIATION THAT COULD
HURT US EXPORTS. NOTES FORECASTS US TRADE BALANCE
EXPECTED FALL INTO DEFICIT THIS YEAR, AS DOLLAR REGAINS
SOME LOST VALUE, THUS MAKING IMPORTS MORE COMPETITIVE,
EXPORTS LESS SO. UNDER CIRCUMSTANCES, URGES US NOT
RESORT PROTECTIONISM -- INSTEAD, WHEN INVESTIGATION
SHOWS SUBSIDIES GIVE SUBSTANTIAL ADVANTAGE FOREIGN
PRODUCERS, URGES US POINT OUT TO FOREIGN GOVTS THAT
ADMIN WILL, ABILITY, RESIST PROTECTIONIST PRESSURES
WOULD BE GREATLY ENHANCED IF THEY CLEAN OWN HOMES. KISSINGER

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